

JUDGE SULLIVAN

08 CV 6470
COPY

Cozen O'Connor
Attorneys for Plaintiff
John B. Galligan, Esquire (JBG-1589)
45 Broadway, 16th Floor
New York, New York 10006
(212) 509-9400

IN THE UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

-----X
EVEREST NATIONAL INSURANCE COMPANY
as subrogee of Bayard Views LLC/
Bayard Views Condominium,
20 Bayard Street
Brooklyn, NY 11211,

Plaintiff,

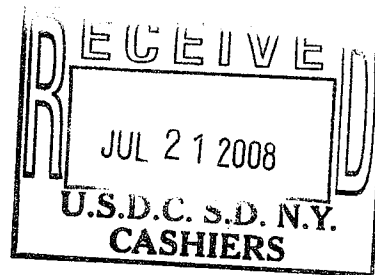
v.

ADD PLUMBING, INC.
122 Evergreen Avenue
P.O. Box 110422
Brooklyn, NY 11206

Defendant.
-----X

CIVIL ACTION NO.

RULE 7.1 STATEMENT

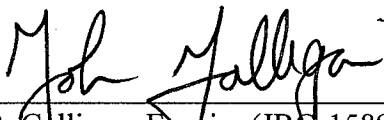


Pursuant to the Federal Rules of Civil Procedure 7.1 [formerly Local General Rule 1.9] and to enable District Judges and Magistrate Judges of the Court to evaluate possible disqualification or recusal, the undersigned counsel for Everest National Insurance Company (a non-governmental party), certifies that the following is the corporate parent of said party, which is publicly held.

EVEREST RE U.S. GROUP

SEE ATTACHED

Date: July 18, 2008



John B. Galligan, Esquire (JBG-1589)
COZEN O'CONNOR
45 Broadway Atrium, 16th Floor
New York, NY 10006
212-509-9400

EVEREST RE U.S. GROUP

Directors: Martin Abrahams, Kenneth J. Duffy, John R. Dunne, Thomas J. Gallagher, William F. Galtney, Jr., Joseph V. Taranto (Chairman), John Weber, John A. Weber.

REGULATORY

An annual independent audit of the company is conducted by PricewaterhouseCoopers.

REINSURANCE PROGRAMS

Management purchases reinsurance if it believes that it is both prudent and cost effective to do so. The group participates in various excess of loss programs which cover specific risks such as excess workers' compensation, facultative property and excess property catastrophe coverage for risks outside of the U.S. The group also reduces its risk to some individual and aggregate losses through its participation in certain "common account" retrocessional arrangements.

At a corporate level, the group has fully utilized aggregate excess of loss contracts for the 1999, 2000 and 2001 accident years which covered all lines of business with limits of \$175 million, for each accident year, above a normalized statutory loss ratio threshold. These covers were net of inuring reinsurance protections and required that about half of the losses ceded be offset by additional premium charges.

In connection with the September 2000 acquisition of Mt. McKinley, Everest Re received an adverse development cover which protected the group for 80%, or \$160 million, of the first \$200 million of any adverse loss reserve development on the carried reserves of Mt. McKinley, at September 19, 2000. At December 2003, this cover was fully utilized.

Everest Re Group**EVEREST RE U.S. GROUP**

Dover, DE

Westgate Corporate Center, 477 Martinsville Road, Liberty Corner, NJ
07938-0830

Web: www.everestre.com

Tel: 908-604-3000

Fax: 908-604-3434

AMB#: 05696

Publicly Traded Corporation: Everest Re Group Ltd.
NYSE: RE

BEST'S RATING

Based on our opinion of the consolidated Financial Strength of the property/casualty members of Everest Re Group, which operate under a group structure, each group member is assigned a Best's Rating of A+ (Superior). The company is assigned the Financial Size Category of Class XV, which is the Financial Size Category of the group. Refer to the Preface for a complete explanation of Best's Rating system and procedure.

RATING RATIONALE

For a detailed discussion of the rating rationale, refer to the report of Everest Re Group.

Best's Rating: A+ g

Outlook: Stable

FIVE YEAR RATING HISTORY

Rating as of July 22, 2005: A+ g

Date	Best's Rating	Date	Best's Rating
06/17/05	A+ g	10/09/02	A+ g
06/02/04	A+ g	04/12/02	A+ g
06/20/03	A+ g	11/01/00	A+

KEY FINANCIAL INDICATORS (\$000)

Period Ending	Statutory Data					
	Direct Premiums Written	Net Premiums Written	Pretax Operating Income	Net Income	Total Admitted Assets	Policyholders' Surplus
2000	223,759	751,624	240,726	181,301	4,876,659	1,295,770
2001	437,831	1,436,713	70,988	94,159	5,497,094	1,311,701
2002	844,044	2,231,897	224,052	75,350	6,364,961	1,511,190
2003	1,180,212	3,123,834	314,156	185,741	8,114,774	1,733,432
2004	1,257,046	2,961,518	295,069	188,626	9,399,327	2,111,404

Period Ending	Profitability			Leverage			Liquidity	
	Comb. Ratio	Inv. Yield (%)	Pretax ROR (%)	NA Lev	NPW to PHS	Net Lev.	Overall Liq. (%)	Oper. Cash flow (%)
2000	106.5	7.0	34.0	25.4	0.6	3.3	137.0	79.2
2001	114.4	6.3	5.2	28.2	1.1	4.2	131.7	118.9
2002	98.4	5.6	11.2	25.0	1.5	4.7	131.4	126.3
2003	96.4	5.1	11.2	32.3	1.8	5.4	127.2	155.1
2004	99.7	5.1	10.3	49.7	1.4	4.8	129.1	121.6
5-Yr	101.0	5.7	11.8

(*) Data reflected within all tables of this report has been compiled through the A.M. Best Consolidation of statutory filings. Within several financial tables of this report, this group is compared against the Professional Reinsurers.

For all tables within this report, all periods include the effects of Mt. McKinley Insurance Company which, in 2000, became part of the group and entered into a loss portfolio transfer with an offshore affiliate, Everest Reinsurance (Bermuda) Ltd., whereby \$486 million of carried loss reserves were transferred from the company for a premium of \$485 million.

CORPORATE STRUCTURE

AMB	COMPANY NAME	DOMICILE	% OWN
58455	Everest Re Group Ltd.	Bermuda	100.00
87869	Everest Reinsurance Bermuda	Bermuda	100.00
86863	Everest International Reins	Bermuda	100.00
50016	Everest Reins Holdings Inc	DE	100.00
03519	Everest Reinsurance Company	DE	100.00
12096	Everest Indemnity Insurance Co	DE	100.00
87033	Everest Insurance Co Canada	Canada	100.00
02799	Everest National Insurance Co	AZ	100.00
50236	Everest Re Holdings Ltd	Bermuda	100.00
85570	Everest Re Ltd	United Kingdom	100.00
11197	Everest Security Insurance Co	GA	100.00
03777	Mt McKinley Insurance Company	DE	100.00

BUSINESS REVIEW

For a detailed discussion of business review, refer to the report of Everest Re Group.

2004 BUSINESS PRODUCTION AND PROFITABILITY (\$000)

Product Line	Premiums Written		% of Total NPW	Pure Loss Ratio	Loss & LAE Res.
	Direct	Net			
Workers' Comp	647,526	592,030	20.0	41.6	765,097
Reins-Casualty	...	294,226	9.9	134.6	2,018,633
Reins-Property	...	273,139	9.2	60.0	315,033
Com'l MultiPeril	199,544	269,078	9.1	79.5	319,088
Oth Liab Cl-Made	41,648	266,280	9.0	51.4	238,403
Oth Liab Occur	105,256	223,456	7.5	31.6	345,316
Group A & H	...	198,665	6.7	68.3	95,351
Fire	51	159,287	5.4	74.3	86,666
Inland Marine	148,833	122,324	4.1	71.9	21,783
Homeowners	0	76,354	2.6	77.5	56,991
Surety	...	72,778	2.5	52.6	66,388
Allied Lines	52	72,728	2.5	158.0	35,323
Med Mal Cl-Made	69,475	16,672	0.6	72.4	207,286
All Other	44,660	324,498	11.0	59.5	4,611,287
Totals	1,257,046	2,961,518	100.0	68.2	4,611,287

Major 2004 Direct Premium Writings by State (\$000): California, \$625,153 (49.7%); Colorado, \$154,941 (12.3%); Florida, \$91,150 (7.3%); Illinois, \$53,704 (4.3%); Michigan, \$38,521 (3.1%); 46 other jurisdictions, \$294,412 (23.4%); Canada, \$0 (0.0%); Aggregate Alien, \$-835 (-0.1%).

CAPITALIZATION

For a detailed discussion of capitalization, refer to the report of Everest Re Group.

CAPITAL GENERATION ANALYSIS (\$000)

Period Ending	Source of Surplus Growth				Change in PHS
	Pretax Operating Income	Total Inv. Gains	Net Contrib. Capital	Other, Net of Tax	
2000	240,726	-30,395	-32,898	-73,476	103,957
2001	70,988	-4,440	-125,585	74,968	15,931
2002	224,052	-41,166	93,043	-76,440	199,489
2003	314,156	10,284	-41,453	-60,745	222,242
2004	295,069	143,268	78,158	-138,522	371,971
5-Yr	1,144,992	77,550	-28,735	-274,215	-919,891